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December 18, 2007

BY ELECTRONIC CASE FILING

Honorable Naomi Reice Buchwald, U.S.D.J.
United States District Court
Southern District of New York
500 Pearl Street, Room 2270
New York, NY 10007

Re: The Disco Biscuits vs. Sunset Records Group, Inc. et al.
Dk # 1:07-CV-5909 (NRB) S.D.N.Y.

Dear Judge Buchwald:

This office represents the Plaintiff in the above-referenced Action. Please allow this letter to serve as an update as to the status of settlement in this Action and how discovery is proceeding, as requested by the Court.

The Plaintiff has received documents from the Defendant regarding payments made to the Plaintiff and information regarding music that we believe was downloaded from the Defendants' website. We requested and counsel provided further information. We are in the process of reviewing that information with our client and to discuss the issues raised by those documents.

On January 7, 2008 at 11:00 a.m. in Manhattan the parties are meeting to discuss settlement and if settlement is not possible, a discovery schedule will be submitted to the court. We are hopeful that settlement is possible in this Action without further judicial intervention.

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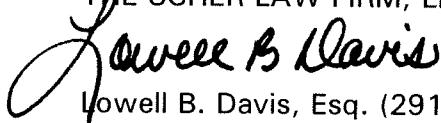
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We respectfully request that the parties be given until January 15, 2008 to either settle this Action or present a discovery schedule for the Court's review.

Thank you for your courtesies in this matter.

Respectfully submitted,

THE SCHER LAW FIRM, LLP


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